

Capital Asset Advisory Committee Meeting Notes

Thursday, December 3, 2020

Attending

Members: Gordon Calahan, Megan Castle, M.L. Richardson, Brittany Warga, Jeff Wilhite

Staff: Kristopher Schuh, Steve Bell, Nicole Stewart, Heather Frizzell, Bruce Huxley, Tim Reed, Maureen Wolsborn, Robin Acree

Location: FM Large Conference Room/Zoom, 809 Quail Street, Bldg. 4, Lakewood, CO 80215

Time: 8:00-10:00am

General-

- CIP Update-Presentation
 - Through 11/30, overall revenue increased due to interest. \$439.7M revenue, \$17.5M expenses and encumbrances declined \$13M.
 - Two contracts will be presented to the BOE:
 - Consultant contract for Marshdale ES replacement-\$911,000
 - Contract adjustment for the district wide 2020 playgrounds, largely due to a \$110K grant received by one of the schools.
 - Second bond issuance scheduled for December 12, results will appear in next month's reports.
 - Monthly cash flow remains on the same trajectory as the last several months. Achieving the 85% IRS spend remains predicted for April/May 2021. Balance of funds from the first issuance targeted to be spent by June/ July 2021.
- M.L. Richardson Project Information-
 - Tim Reed presented a list of financial definitions that were requested by M.L.
 - Tim asked what information specifically was the committee looking for that is not already being presented. Is this for all projects or just active projects?
 - M.L. wants all the information in one location for projects that will be \$500,000 over budget.
 - Steve Bell asked. "What are we trying to accomplish?"
 - M.L. stated that she would like the information to be in one place and in writing. She also stated that it would be helpful to note where the money is from. There are only two sources, bond and associated proceeds and capital transfer funds and accrued interest.
 - Steve said that it has been explained several times that the capital improvement program's funds comes from the bonds issued, any premium obtained and accrued interest. Moneys received from the general fund (capital transfer) are invested and intended to be used towards the end of the Program when bond proceeds have been exhausted. There are two sources of funds to cover unexpected costs they are the built in project contingency and unallocated program contingency.
 - Jeff Wilhite stated he would like to see how the contingency is being used.
 - Tim stated that the revised Flipbook on the website has some of the information requested.
 - Megan reviewed the Flipbook and thinks the committee needs more information than what has been previously presented. Though there is a fine line between too much information and too little.
 - Tim and Nicole Stewart will work on a document to present to CAAC with the information requested.

- Other Discussion-
 - D'Evelyn Consultant Agreement-
 - Upcoming the committee to make a recommendation for the addition to D'Evelyn. The addition will complete the conversion of D'Evelyn to a 6-12 model and Dennison to a K-5. The addition will accommodate about 200 6th grade students. 100 of them are in four modular buildings installed over the summer. Funds for the addition are not included in the 2018 Capital Improvement Plan. The addition is estimated at between \$5M to \$6M.
 - Greenawalt Email-
 - Mr. Greenawalt sent an email with an attachment outlining why he believes a performance audit is necessary. Tim asked the committee if they would like to address Mr. Greenawalt's concerns or if they prefer the department address them.
 - The committee decided that a response was appropriate but would like the department to draft the response.
 - M.L. Richardson asked if he was currently on the meeting. Tim stated that he was advised he could attend in-person but this was not an electronic meeting.
 - Tim will draft a response and email CAAC members for review.
- Construction Work in Progress Report-Presentation
 - The ribbon cutting took place at Wilmot and a huge success. The Wilmot ES addition has been on the improvement list for 20 years and is now complete.
 - A UV lighting system has been installed in an elementary school as a pilot program. The purpose is to improve air quality and reduce pathogens. Schools with higher absenteeism are being considered first. The pilot will extend for some months and a determination will be made as to its success, practicality, first and on-going costs and implementation elsewhere.

Communications

- Progress 'Flipbook' is live on the Jeffco Builds webpage. It shows progress at each of the schools listed.
- Moody's and Standards & Poor's recognized Jeffco Schools' Financial Mgmt. team for their exemplary performance. Jeffco's credit rating is very high with Aa2/AA ratings.
 - Analysts with the agencies congratulated the district on the CIP and how it was being implemented.

Planning/Property Management Update

- Enrollment Updates: The district has dropped 4.8% (3,900 students) in enrollment for 2020/2021. The majority of the decline is with PreK (down 713 students) and Kindergarten (down 782 students).
 - Arvada articulation area has the biggest drop in enrollment due in large part to Foster ES moving out of the artic area and becoming an option school. Lakewood articulation area show the lowest drop for enrollment.
 - All Denver Metro districts show a decline of 3%-5% enrollment. Nationwide 2%-6% decline.
 - 21,000 students within Jeffco Schools opted for 100% remote learning for 2020/2021.

Construction Management Update

- H/G-Bond-bond programs, over half of projects-in design, construction or closeout/complete.
- 19M Program- STRIDE Health Clinic, at Golden HS, is complete and operational.
- 20M Program and 21M Program small projects, not associated with CIP.

Meeting dates move to the third Thursday of the month starting January 21, 2021.